

## Message Text

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PAGE 01 ISLAMA 02393 260859 Z

20

ACTION EB-11

INFO OCT-01 NEA-10 ADP-00 AID-20 CIAE-00 COME-00 FRB-02

INR-09 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02

LAB-06 SIL-01 SAL-01 OMB-01 AGR-20 NSC-10 SS-14

STR-08 CEA-02 RSR-01 /139 W

----- 019269

R 260641 Z MAR 73

FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC 8448

INFO AMCONSUL KARACHI

AMCONSUL LAHORE

LIMITED OFFICIAL USE ISLAMABAD 2393

E . O. 11652: N/ A

TAGS: EIND

SUBJECT: PROSPECTIVE NEW WHEAT AND FERTILIZER PRICES

1. DURING COURSE OF SOCIAL OCCASION AT HIS RESIDENCE MARCH 22, CHARGE ASKED PUNJAB GOVERNOR KHAR WHAT HE THOUGHT GOVERNMENT SHOULD DO WITH RESPECT WHEAT AND FERTILIZER PRICES. KHAR READILY RESPONDED THAT WITHIN " FEW DAYS" THERE WOULD BE AN ANNOUNCEMENT OF INCREASE IN FLOOR PROCUREMENT PRICES FOR WHEAT FROM RS. 20 TO RS. 22.50 PER MAUND, AND IN FERTILIZER SALE PRICES TO FARMERS FROM RS. 35 TO RS. 42-44 PER BAG (50 KILOS), DEPENDING ON WHETHER UREA OR DAP. ( FERTILIZER PRICE INCREASE WOULD BE EQUIVALENT TO MOVE FROM RS. 700 PER TON TO WELL OVER RS. 800 PER TON.)

2. CHARGE REMARKED THIS WAS WELCOME NEWS, AND NOTED THAT HE HAD RAISED QUESTION OF WHEAT/ FERTILIZER PRICE STRUCTURE DURING RECENT MEETING WITH PRESIDENT BHUTTO. KHAR REJOINED THAT HE WAS AWARE OF MEETING AND VOLUNTEERED THAT IT HAD PLAYED ROLE IN BRINGING ABOUT PRICE ADJUSTMENT AT THIS TIME.

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3. COMMENT: ON SHEERLY ECONOMIC GROUNDS THESE STEPS HAVE BEEN RATHER LONG OVERDUE, BUT WE HAVE RECOGNIZED POLITICAL PROBLEMS CONFRONTING GOVERNMENT IN ANY MOVES WHICH EXACERBATE RISING COSTS OF LIVING. PRESENT MEASURES ILLUSTRATE GOVERNMENT'S TECHNIQUE IN GRADUAL STEP- BY- STEP MEASURES TO ACHIEVE IMPROVED PRICING PATTERNS, WHILE AVOIDING THE KIND OF SHARP PRICE ADJUSTMENTS WHICH COULD HAVE POLITICAL REPERCUSSIONS.

DECON 6/30/73  
SOBER

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\*\*\* Current Handling Restrictions \*\*\* n/a  
\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 MAR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973ISLAMA02393  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Errors:** n/a  
**Film Number:** n/a  
**From:** ISLAMABAD  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Line Count:** 80  
**Locator:** TEXT ON-LINE  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 JAN 2002  
**Review Event:**  
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30 JUN 2005

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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> jms 971229  
**Subject:** PROSPECTIVE NEW WHEAT AND FERTILIZER PRICES  
**TAGS:** EIND  
**To:** EB  
KARACHI  
LAHORE  
SECSTATE WASHDC  
**Type:** TE  
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